

FALCON OIL & GAS LTD.

(“Falcon”)

Full Year Results

28 April 2023 - Falcon Oil & Gas Ltd. (TSXV: FO, AIM: FOG) is pleased to announce its financial results for the year ended 31 December 2022.

The following should be read in conjunction with the complete audited financial statements and the accompanying Management’s Discussion and Analysis (MD&A) for the year ended 31 December 2022.

2022 Financial Highlights

- Strong financial position, debt free with cash of US\$16.8 million at 31 December 2022 (31 December 2021: US\$8.9 million).
- Continued focus on strict cost management and efficient operation of the portfolio.

Filing of Financial Statements, MD&A, AIF and Reserves Data

Falcon has filed its audited financial statements for the year ended 31 December 2022, the accompanying MD&A for year ended 31 December 2022 dated 27 April 2023, its Annual Information Form (“AIF”) dated 27 April 2023 and the Statement of Reserves Data and Other Oil and Gas Information (National Instrument 51-101, Forms 51-101F1, 51-101F2 and 51-101F3) with the relevant provincial securities regulators. These filings are available for review on the Canadian System for Electronic Document Analysis and Retrieval (“SEDAR”) at www.sedar.com. The audited financial statements, MD&A and AIF are also available on Falcon’s website www.falconoilandgas.com.

Beetaloo Operational Update - Amungee NW-2H (“A2H”) well

- Following the successful completion of a 25-stage stimulation programme at the A2H well announced on 22 March 2023, and after an initial period of stimulation fluid flow back, Falcon Oil & Gas Australia Limited’s joint venture partner, Tamboran B2 Pty Limited, contracted Silver City Drilling to undertake completion operations at A2H. Operations to install production tubing were completed in late-April and the well was re-opened in preparation to commence flow testing.
- 30-day initial production (IP30) rates are expected during the second quarter of 2023.
- Drilling locations for the forward program are expected to be announced following the release of the A2H well IP30 flow results, subject to joint venture approval.

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This announcement has been reviewed by Dr. Gábor Bada, Falcon Oil & Gas Ltd’s Head of Technical Operations. Dr. Bada obtained his geology degree at the Eötvös L. University in Budapest, Hungary and his PhD at the Vrije Universiteit Amsterdam, the Netherlands. He is a member of AAPG.

Consolidated Statement of Operations and Comprehensive Loss

Â	Year Ended	
	31 Year Ended	31 Year Ended
	December	December
	2022	2021
	\$ 000	\$ 000
Â	Â	Â
Revenue	Â	Â
Oil and natural gas revenue	Â	2
Â	Â	2
Â	Â	Â
Expenses	Â	Â

Exploration and evaluation expenses	Â	Â	(151)	(196)
General and administrative expenses	Â	Â	(2,865)	(3,031)
Decommissioning provision	Â	Â	(825)	(991)
Foreign exchange loss	Â	Â	(138)	(238)
Â	Â	Â	(3,979)	(4,456)
Â	Â	Â	Â	Â
Results from operating activities	Â	Â	(3,979)	(4,454)
Â	Â	Â	Â	Â
Finance income	Â	Â	298	7
Finance expense	Â	Â	(310)	(249)
Net finance expense	Â	Â	(12)	(242)
Â	Â	Â	Â	Â
Loss before tax	Â	Â	(3,991)	(4,696)
Â	Â	Â	Â	Â
Taxation	Â	Â	-	-
Â	Â	Â	Â	Â
Loss and comprehensive loss for the year	Â	Â	(3,991)	(4,696)
Â	Â	Â	Â	Â
Loss and comprehensive loss attributable to:	Â	Â	Â	Â
Â	Â	Â	Â	Â
Equity holders of the company	Â	Â	(3,994)	(4,693)
Non-controlling interests	Â	Â	3	(3)
Â	Â	Â	Â	Â
Loss and comprehensive loss for the year	Â	Â	(3,991)	(4,696)
Â	Â	Â	Â	Â
Loss per share attributable to equity holders of the company:				
Â	Â	Â	Â	Â
Basic and diluted	Â	Â	(\$0.004)	(\$0.005)

Consolidated Statement of Financial Position

Â		At 31 December 2022 \$ 000	At 31 December 2021 \$ 000
Â	Â	Â	Â
Assets	Â	Â	Â
Non-current assets	Â	Â	Â
Exploration and evaluation assets	Â	42,977	40,197
Property, plant and equipment	Â	7	13
Trade and other receivables	Â	20	22
Restricted cash	Â	2,090	2,239
Â	Â	45,094	42,471
Â	Â	Â	Â
Current assets	Â	Â	Â
Cash and cash equivalents	Â	16,785	8,894
Trade and other receivables	Â	79	74
Â	Â	16,864	8,968
Â	Â	Â	Â
Total assets	Â	61,958	51,439
Â	Â	Â	Â
Equity and liabilities	Â	Â	Â
Â	Â	Â	Â
Equity attributable to owners of the parent	Â	Â	Â
Share capital	Â	402,120	392,170

Contributed surplus	Â	47,063	46,254
Deficit	Â	(403,860)	(399,866)
Â	Â	45,323	38,558
Non-controlling interests	Â	701	698
Total equity	Â	46,024	39,256
Â	Â	Â	Â
Liabilities	Â	Â	Â
Non-current liabilities	Â	Â	Â
Decommissioning provision	Â	15,602	11,775
Â	Â	15,602	11,775
Â	Â	Â	Â
Current liabilities	Â	Â	Â
Accounts payable and accrued expenses	Â	332	408
Â	Â	332	408
Â	Â	Â	Â
Total liabilities	Â	15,934	12,183
Â	Â	Â	Â
Total equity and liabilities	Â	61,958	51,439

Consolidated Statement of Cash Flows

Â	Â	Year Ended 31 December	
Â	Â	2022	2021
Â	Â	\$ 000	\$ 000
Â	Â	Â	Â
Cash flows from operating activities	Â	Â	Â
Net loss for the year	Â	(3,991)	(4,696)
Adjustments for:	Â	Â	Â
Share based compensation	Â	809	1,179
Depreciation	Â	5	4
Net finance loss	Â	22	242
Foreign exchange loss	Â	138	238
Transfer of Canadian working interests	Â	-	(28)
Decommissioning provision	Â	825	991
Change in non-cash working capital	Â	Â	Â
(Increase) / decrease in trade and other receivables	Â	(5)	44
(Decrease) / increase in accounts payable and accrued expenses	Â	(64)	67
Net cash used in operating activities	Â	(2,261)	(1,959)
Â	Â	Â	Â
Cash flows from investing activities	Â	Â	Â
Interest received	Â	33	7
Exploration and evaluation assets additions	Â	(88)	(163)
Granting of ORRI to Sheffield Holdings LP	Â	6,000	-
Exercising of TOG Group call option	Â	(6,000)	-
Property plant and equipment	Â	-	(13)
Net cash used in investing activities	Â	(55)	(169)
Â	Â	Â	Â
Cash flows from financing activities	Â	Â	Â
Proceeds from private placement	Â	10,000	-
Costs related to private placement	Â	(50)	-
Net cash generated from financing activities	Â	9,950	-
Â	Â	Â	Â
Change in cash and cash equivalents	Â	7,634	(2,128)
Effect of exchange rates on cash and cash equivalents	Â	257	(14)
Cash and cash equivalents at beginning of year	Â	8,894	11,036
Â	Â	Â	Â
Cash and cash equivalents at end of year	Â	16,785	8,894

All dollar amounts in this document are in United States dollars "€", except as otherwise indicated.

About Falcon Oil & Gas Ltd.

Falcon Oil & Gas Ltd is an international oil & gas company engaged in the exploration and development of unconventional oil and gas assets, with the current portfolio focused in Australia, South Africa and Hungary. Falcon Oil & Gas Ltd is incorporated in British Columbia, Canada and headquartered in Dublin, Ireland with a technical team based in Budapest, Hungary.

Falcon Oil & Gas Australia Limited is a c. 98% subsidiary of Falcon Oil & Gas Ltd.

For further information on Falcon Oil & Gas Ltd. please visit www.falconoilandgas.com

About Tamboran B2 Pty Limited

Tamboran (B1) Pty Limited ("Tamboran B1") is the 100% holder of Tamboran B2 Pty Limited, with Tamboran B1 being a 50:50 joint venture between Tamboran Resources Limited and Daly Waters Energy, LP (Sheffield).

Tamboran Resources Limited, is a natural gas company listed on the ASX (TBN) and U.S. OTC markets (TBNNY). Tamboran is focused on playing a constructive role in the global energy transition towards a lower carbon future, by developing the significant low CO₂ gas resource within the Beetaloo Basin through cutting-edge drilling and completion design technology as well as management's experience that in successfully commercialising unconventional shale in North America.

Bryan Sheffield of Daly Waters Energy, LP is a highly successful investor and has made significant returns in the US unconventional energy sector in the past. He was Founder of Parsley Energy Inc. ("PE"), an independent unconventional oil and gas producer in the Permian Basin, Texas and previously served as its Chairman and CEO. PE was acquired for over US\$7 billion by Pioneer Natural Resources Company ("Pioneer"), itself a leading independent oil and gas company and with the PE acquisition became a Permian pure play company. Pioneer has a current market capitalisation of c. US\$60 billion.

Advisory regarding forward looking statements

Certain information in this press release may constitute forward-looking information. Any statements that are contained in this news release that are not statements of historical fact may be deemed to be forward-looking information. Forward-looking information typically contains statements with words such as "may", "will", "should", "expect", "intend", "plan", "anticipate", "believe", "estimate", "projects", "dependent", "potential", "scheduled", "forecast", "outlook", "budget", "hope", "suggest", "support", "planned", "approximately", "potential" or the negative of those terms or similar words suggesting future outcomes. In particular, forward-looking information in this press release includes, but is not limited to, information relating to the progress to date at A2H, the installation of production tubing, commencement of flow testing and the 30-day initial production (IP30) rates during the second quarter of 2023 along with the forward programme expected to be announced following the A2H well IP30 flow results, the prospectivity of the Amungee Member/Middle Vélkerri play and the prospect of the exploration programme being brought to commerciality and a pilot production in 2023/2024. This information is based on current expectations that are subject to significant risks and uncertainties that are difficult to predict. The risks, assumptions and other factors that could influence actual results include risks associated with fluctuations in market prices for shale gas; risks related to the exploration, development and production of shale gas reserves; general economic, market and business conditions; substantial capital requirements; uncertainties inherent in estimating quantities of reserves and resources; extent of, and cost of compliance with, government laws and regulations and the effect of changes in such laws and regulations; the need to obtain regulatory approvals before development commences; environmental risks and hazards and the cost of compliance with environmental regulations; aboriginal claims; inherent risks and hazards with operations such as mechanical or pipe failure, cratering and other dangerous conditions; potential cost overruns, drilling wells is speculative, often involving significant costs that may be more than estimated and may not result in any discoveries; variations in foreign exchange rates; competition for capital, equipment, new leases, pipeline capacity and skilled personnel; the failure of the holder of licenses, leases and permits to meet requirements of such; changes in royalty regimes; failure to accurately estimate abandonment and reclamation costs; inaccurate estimates and assumptions by management and their joint venture partners; effectiveness of internal controls; the potential lack of available drilling equipment; failure to obtain or keep key personnel; title deficiencies; geo-political risks; and risk of litigation.

Readers are cautioned that the foregoing list of important factors is not exhaustive and that these factors and risks are difficult to predict. Actual results might differ materially from results suggested in any forward-looking statements. Falcon assumes no obligation to update the forward-looking statements, or to update the reasons why actual results could differ from those reflected in the forward looking-statements unless and until required by securities laws applicable to Falcon. Additional information identifying risks and uncertainties is contained in Falcon's filings with the Canadian securities regulators, which filings are available at www.sedar.com, including under "Risk Factors" in the Annual Information Form.

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.